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VIA ELECTRONIC MAIL SERVICE AND 1ST CLASS MAIL SERVICE

Public Service Commission of South Carolina

ATTN: Docketing Department

PO Drawer 11649

Columbia SC 29211

RE: Application of MetaNet Internet Solutions, Inc. for a Certificate of Public Convenience and Necessity to Provide Competitive Local Exchange Telecommunications Services Within the State of South Carolina
Docket No. 2004-176-C, Our File No. 908-10255

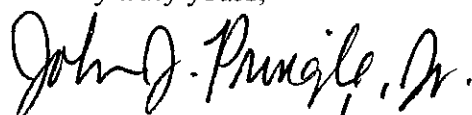
To Whom It May Concern:

Enclosed is the original and twenty-five (25) copies of the **Testimony of Damon W. Yates** filed on behalf of MetaNet Internet Solutions, Inc. in the above-referenced docket.

Please acknowledge your receipt of this document by file-stamping the copy of this letter enclosed, and returning it in the enclosed envelope.

If you have any questions or need additional information, please do not hesitate to contact me.

Very truly yours,


John J. Pringle, Jr. *by CR*

JJP/cr

cc: Mr. Damon W. Yates

Enclosures

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**BEFORE THE
PUBLIC SERVICE COMMISSION
OF SOUTH CAROLINA**

DOCKET NO. 2004-176-C

APPLICATION OF)
METANET INTERNET SERVICES, INC.)
FOR A CERTIFICATE OF PUBLIC CONVENIENCE AND)
NECESSITY TO PROVIDE LOCAL EXCHANGE)
TELECOMMUNICATIONS SERVICES IN)
SOUTH CAROLINA)

TESTIMONY OF DAMON W. YATES

1 **Q. WILL YOU PLEASE STATE YOUR NAME AND BUSINESS ADDRESS.**

2 A. My name is Damon W. Yates. My business address is 1630 Rivers Street, Greenwood SC
3 29649. My telephone number is (864) 229-1128.

5 **Q. BY WHOM ARE YOU EMPLOYED AND IN WHAT CAPACITY?**

6 A. In my current capacity, I am the VP of Technology of MetaNet Internet Solutions, Inc.
7 ("MetaNet").

9 **Q. PLEASE GIVE A BRIEF DESCRIPTION OF YOUR BACKGROUND AND**
10 **EXPERIENCE.**

11 A. I have been utilized as an independent consultant and employee of the Company since
12 inception. My formal and informal training in computer operating systems and
13 applications make me invaluable as a liaison between the Company and its clients. In
14 addition to computer software, I install and troubleshoot client computer networks and

1 hardware problems.

2
3 **Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY?**

4 A. The purpose of my testimony is to present evidence describing the technical, managerial
5 and financial fitness of MetaNet to provide facilities-based local exchange
6 telecommunications services in South Carolina. This testimony will also describe the
7 services proposed by MetaNet and the proposed tariff structure. Finally, the purpose of
8 my testimony is to show that the public interest will be served by approval of the
9 application of MetaNet for a certificate of public convenience and necessity.

10
11 **Q. HAS METANET REGISTERED TO DO BUSINESS IN SOUTH CAROLINA?**

12 A. Yes. MetaNet is a South Carolina corporation incorporated on on March 7, 2000, and has
13 continued since that date in good standing.

14
15 **Q. PLEASE DESCRIBE THE SERVICES METANET PROPOSES TO OFFER.**

16 A. The company requests authority to resell and provide local exchange telecommunications
17 services. The company intends to offer local services, including high-speed data services,
18 on a resold and facilities-basis. Facilities-based service will be made available via the
19 incumbent telephone company's unbundled network element platform ("UNE-P"), and
20 through the purchase of individual unbundled network elements. Service is provided
21 primarily to residential customers. Service is provided twenty-four (24) hours per day,
22 seven (7) days a week.

1

2 **Q: WHERE DOES METANET INTEND TO PROVIDE SERVICE INITIALLY?**

3 A: Our offices are located in Greenwood, South Carolina. We hope to provide service in
4 that area and surrounding areas.

5

6 **Q: DOES METANET PLAN TO OFFER LOCAL EXCHANGE**
7 **TELECOMMUNICATIONS SERVICES IN AREAS SERVED BY RURAL**
8 **TELECOMMUNICATION CARRIERS?**

9 A: MetaNet seeks statewide authority to the extent permitted by law. Unless otherwise
10 permitted by federal or state law, MetaNet does not plan to offer local exchange
11 telecommunications services in areas served by any “rural” ILEC, except for those that
12 have voluntarily entered into an agreement with a competing telecommunications service
13 provider. MetaNet has executed a Stipulation with the South Carolina Telephone
14 Coalition (“SCTC”), and will abide by that Stipulation’s provisions with respect to
15 providing services in the participating companies’ exchange areas. MetaNet reserves the
16 right to expand its services into these areas should any rulings of the Commission or any
17 court or administrative agency allow the provision of service in such areas.

18

19 **Q: HAS METANET INITIATED NEGOTIATIONS WITH ONE OR MORE OF THE**
20 **INCUMBENT LECS FOR INTERCONNECTION AGREEMENTS IN THE**
21 **STATE OF SOUTH CAROLINA?**

22 A: MetaNet intends to initiate negotiations with United Telephone of the Carolinas

1 (“Sprint”) for an interconnection agreement in the very near future. Upon execution, that
2 agreement will be filed with the Commission for approval. In the future, MetaNet may
3 negotiate one or more agreements with BellSouth Telecommunications, Inc. and other
4 non-rural LECs in the State of South Carolina.

5
6 **Q. DOES METANET OWN ANY NETWORK SWITCHES OR TRANSMISSION**
7 **FACILITIES USED IN ROUTING CALLS?**

8 A. Not at the current time.

9
10 **Q. HOW WILL METANET BILL FOR ITS SERVICES?**

11 A. Calls are billed directly by the Company.

12
13 **Q. HOW ARE TROUBLE REPORTS HANDLED?**

14 A. MetaNet will utilize a toll-free number of 866-881-9506 for customer service. Customers
15 may access a live customer service representative on Mondays through Fridays from 9:00
16 am – 5:00 pm EST. Personnel is on-call after hours to handle emergencies. In the future,
17 MetaNet may contract a call center to handle technical support 24 hours a day, seven days
18 a week.

19
20 **Q. HOW ARE BILLING ERRORS AND COMPLAINTS HANDLED?**

21 A. MetaNet utilizes the toll-free number above for customer service.

1 **Q. ARE YOU FAMILIAR WITH THE TARIFF SUBMITTED AS AN EXHIBIT TO**
2 **THIS APPLICATION?**

3 A. Yes.

5 **Q. WAS THE TARIFF PREPARED FOR YOU OR UNDER YOUR SUPERVISION?**

6 A. Yes. It was prepared under my supervision.

8 **Q. IN YOUR OPINION, ARE YOUR PROPOSED RATES CONTAINED IN THE**
9 **TARIFF JUST AND REASONABLE?**

10 A. Yes.

12 **Q. WILL THE COMPANY PROVIDE ANY EQUIPMENT OR FACILITIES IN**
13 **CONNECTION WITH ITS SERVICES?**

15 A. No, the Company does not intend to own, operate, control or manage any
16 telecommunications transmission facilities within in the State of South Carolina, and does
17 not intend to obtain any such facilities or equipment at this time. However, the Company
18 reserves the right to install its own facilities if and when business conditions warrant, and
19 upon approval of the Commission.

21 **Q. DESCRIBE THE PROPOSED METANET SOUTH CAROLINA TARIFF.**

22 A. MetaNet has filed a proposed local exchange tariff, which contains the rules, regulations and

1 rates for MetaNet's services. I believe that MetaNet's tariff will comport with all Orders,
2 Rules and Regulations of the Commission necessary to comply with all such applicable
3 authority.

4
5 **Q. WHERE IS METANET CURRENTLY CERTIFICATED?**

6 A. South Carolina is the first state in which MetaNet is seeking certification. At the current
7 time, the company does not have plans to provide services in any other jurisdictions, but
8 may do so in the future.

9
10
11 **Q. DESCRIBE METANET'S FINANCIAL ABILITY TO OPERATE AS A LOCAL
12 EXCHANGE TELECOMMUNICATIONS PROVIDER.**

13 A. MetaNet has sufficient financial resources to provide the requested telecommunication
14 services in South Carolina, the financial capability to maintain these services, and the
15 financial capability to meet its lease and ownership obligations. The Company's
16 Financial Statements were provided as Attachment B to the Company's application and
17 were supplemented recently with the most recent set of financial statements provided by
18 MetaNet's accountant.

19
20 **Q. DO YOU BELIEVE METANET IS CAPABLE OF DELIVERING ITS
21 PROPOSED SERVICES IN SOUTH CAROLINA?**

22 A. Yes, in addition to having sufficient financial resources, the senior management team of
23 MetaNet has a varied and detailed background in telecommunications. A summary of

1 Metanet's Management Team was attached to the Application as Exhibit C.

2
3 **Q: IS THE COMPANY WILLING AND ABLE TO CONFORM TO THE**
4 **CONSTITUTION AND LAWS OF THE STATE OF SOUTH CAROLINA AND TO**
5 **THE RULES AND REGULATIONS OF THE COMMISSION, UNLESS**
6 **APPLICATION OF SUCH RULES OR REGULATIONS IS SPECIFICALLY**
7 **WAIVED BY THE COMMISSION?**

8 A: Yes.

9
10 **Q: WILL THE COMPANY FILE ALL APPLICABLE REPORTS AS REQUIRED BY**
11 **THE COMMISSION?**

12 A: Yes. The Company is aware of the Commissions requirements that all
13 telecommunications carriers file a report on South Carolina operations, a gross receipts
14 report, and a universal service contribution report on an annual basis

15
16 **Q. HOW WILL SOUTH CAROLINA CONSUMERS BENEFIT FROM METANET'S**
17 **SERVICES?**

18 A. Granting MetaNet's application will introduce a telecommunications service provider
19 committed to providing high quality, innovative, and technologically advanced services
20 that will further increase telecommunications competition within the State of South
21 Carolina. MetaNet 's network will utilize state-of-the art technology. MetaNet 's service
22 offerings will increase consumer choice, improve the quality and efficiency in

1 telecommunications services and will likely lead to the reduction of consumer costs, as
2 well as stimulate development of additional services by providing competitive incentives
3 to other providers. Thus, granting MetaNet 's application is in the public interest.
4

5 **Q. DOES THIS CONCLUDE YOUR TESTIMONY?**

6 A. Yes.